



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 26, 2005

H.R. 1132 **National All Schedules Prescription Electronic Reporting Act of 2005**

*As ordered reported by the House Committee on Energy
and Commerce on July 20, 2005*

H.R. 1132 would authorize the Secretary of Health and Human Services to make grants to states to establish electronic database systems for monitoring the dispensing of controlled substances. The database would be used to identify, and report to appropriate authorities, the potential unlawful diversion or misuse of controlled substances. The bill also would require the Secretary to conduct several studies related to monitoring programs for controlled substances.

The bill would authorize the appropriation of \$15 million in each of fiscal years 2006 and 2007, and \$10 million a year for fiscal years 2008 through 2010. Assuming appropriation of those amounts, and based on spending patterns for similar programs, CBO estimates that implementing H.R. 1132 would cost \$52 million over the 2006-2010 period. Enacting H.R. 1132 would have no effect on direct spending or revenues.

H.R. 1132 contains no intergovernmental or private-sector mandates as defined by the Unfunded Mandates Reform Act. The bill would benefit state, local, and tribal governments; any costs they incur would result from complying with conditions of receiving federal assistance.

On June 6, 2005, CBO transmitted a cost estimate for S. 518, the National All Schedules Prescription Electronic Reporting Act of 2005, as ordered reported by the Senate Committee on Health, Education, Labor, and Pensions on May 25, 2005. The authorizations of appropriations in that bill are equal to those in H.R. 1132; the programs established under both bills are almost identical. Neither bill would impose any mandates on state, local, or tribal governments or on the private sector.

The CBO staff contact for this estimate is Julia Christensen. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.